(b) if so, the position at present;

(c) the year by which all the State capitals would be provided with F.M. stations; and

(d) the steps taken in that direction?

THE MINISTER OF STATE IN THE MINISTRY OF INFORMATION AND BROADCASTING (SHRI P.M. SAYEED): (a) and (b) Yes, Sir. F.M. channels have already become operational in 10 State Capitals. Installation of F.M. transmitters is in progress at 5 other State Capitals.

Proposal to set up F.M. projects in respect of 2 State capitals has been approved and the remaining 9 are under consideration of the Government.

(c) and (d) It is proposed that all State capitals will have FM channels by the end of the 9th Plan subject to availability of funds, infrastructural facilities and inter-se priorities.

Tax Treaty Between India and Mauritius

877. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether Govt's attention has been drawn to a news-item regarding tax treaty with Mauritius as reported in 'The Times of India', New Delhi edition, 16th November, 1995;

(b) if so, whether the treaty has been used to avoid payment of taxes in India and more favourable to Mauritius;

(c) whether it is a fact that a lot of money is going out of India through Hawala and coming back to India as investments through the Mauritius route; and

(d) if so, what is the present state of negotiations between the two countries so as to avoid further loss to India by continuing this treaty?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): (a) to (d) Yes, Sir.

The Agreement between India and Mauritius for avoidance of double taxation which was signed in August, 1982 provides, amongst others, for taxation of capital gains in respect of certain assets, only in the country of residence. It also provides for taxation of dividend income @5% where the recipient is a company holding at least 10% share of the company paying the dividend, and @15% in all other cases.

No specific instance of Hawala transsaction has come to the notice of the Government. Due to changes in the global economic environment and in the domestic tax laws, it has become necessary to review the double taxation avoidance agreements entered into by India with some of the countries. The Agreement with Mauritius is one such included in this review process.

Construction of HYDEL Power Projects

878. SHRIMATI KAMLA SINHA: Will the Minister of POWER be pleased to state:

(a) the number of hydel power projects under construction alongwith their location, State-wise; and

(b) the number of hydel projects in the pipeline?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI URMILA BEN CHIMANBHAI PATEL):(a) 86 sanctioned hydroelectric projects (with installed capacity above 3 MW) aggregating to 17818.80 MW are under construction in the country. The details of their location and installed capacity are enclosed at statement (*see* below).

(b) 67 hydroelectric projects with an installed capacity of 43753.90 MW are in the pipeline.